IC 76-2295

0 5 MAY 1976

MEMORANDUM FOR: Director of Central Intelligence

FROM: [   ]   25X1A

Deputy to the DCI for the Intelligence
Community

SUBJECT: Net Assessments

1. In response to a discussion at the PFIAB a few weeks ago,
you requested more background on the net assessment issue. This
memorandum summarizes activity around town and outlines, in
paragraph 4, the role you might play in the Community and in relations
with DoD.

2. Background. [   ] of our Staff has interviewed   25X1A
some forty knowledgeable officials and mid-level officers who are
concerned with the various net assessment activities at DoD, the
NSC, and CIA. He has met with, for example, [   ], Andy   25X1A
Marshall, appropriate NIOs, and responsible officers within the
Joint Staff, ISA, DDR&E, and DIA. While many divergent opinions
about "net assessment" have been uncovered, he does find that:

-- net assessments are generally considered useful and
   keenly desired;

-- various principals about town seem satisfied with the
   work being done within their components on net
   assessment;

-- most find the varying types of net assessment work
   are appropriately organized and balanced; and

-- most believe the present input of solid RED force data
   is all that is required of the Intelligence Community in
   this effort.

3. The Role of Intelligence. The only Community element currently involved in dedicated net assessment work is CIA. The Office of Weapons Intelligence (DDS&T) works closely with DDR&E on net technical assessments of individual Soviet weapons systems. The goal there is to find and take advantage of the weak links in Soviet weapons systems. The Office of Strategic Research (DDI) examines the strengths and weaknesses of Soviet military forces in relation to appropriate US and allied forces. DoD intelligence components generally confine their net assessment activity to contributing RED forces data to ongoing studies. There are good reasons why military intelligence should limit its analyses to RED forces:

- intelligence components generally lack access to, and expertise with, BLUE force data;

- intelligence can stay pure if it stays untainted by the traditional needs of the DoD budget shops; and

- good detailed net assessment work using BLUE and RED data would further deplete intelligence analytic assets needed for other priority work.

4. The DCI's Role. But there are activities that the DCI should support throughout the Intelligence Community and within CIA. Intelligence has made a significant contribution in net technical assessments related to Soviet weapons systems by delineating their susceptibility to countermeasures. That work should continue. We should encourage better definition of the unique strengths and weaknesses of Soviet military forces, including those related to doctrine, tactics, and force effectiveness. Lastly, we should make greater use of net assessment techniques in resolving DCI/ICS action items, such as those involving satellite vulnerability. In short, along present lines of endeavor, I recommend more and perhaps better support by all elements of the Intelligence Community, including the IC Staff, to net assessment work. I do not believe that this would require any changes in existing lines of authority within either the Community or the Agency.

2

SECRET

5. Detailed findings of the ⬚ interviews are provided at Tab A.

25X1A

SIGNED

25X1A

Attachment:
  Tab A

Distribution:
Original -- DCI
1 -- DDCI
1 -- ER
1 -- D/DCI/IC
1 -- IC Registry
1 -- C/PAID (PAID Chrono)
1 -- PAID Subject
1 -- PAID/⬚

25X1A

DCI/IC/PAID/⬚ 30 Apr 76)

3

SECRET

SECRET

IC-2292-76

28 April 1976

MEMORANDUM FOR: Deputy to the DCI for the Intelligence
Community

FROM   :

25X1A

THROUGH   :

SUBJECT   : Net Assessments

REFERENCE   : EA/D/DCI/IC Memo of 14 April 1976

1. In the reference, you asked several questions
regarding net assessments as follow-up to our earlier memo
on this subject. The discussion below responds to those
questions and is based on interviews conducted during the
past two weeks with over forty knowledgeable officials and
intelligence officers in the Washington area. (Names at Tab
A.) A principal finding is that there are many divergent
opinions about net assessments; that there is remarkably
little that everyone agrees on; and that, consequently,
there are no clear-cut answers to your questions.* None-
theless, it seems safe to conclude that, in general terms:

---

*   As used herein, the term "net assessment" (NA)
applies to the broad comparative analyses of how the U.S. is
doing in its continuing military competition with the Soviet
Union, and encompasses political/economic, as well as military
factors. This analytical effort is being done primarily by
and/or through Mr. Andrew Marshall, OSD(NA); OASD(PA&E);
CIA(OSR); and the military service staffs. The term "net
technical assessment" (NTA) refers to the more specific
analytical work focused on relative technologies of U.S. and
Soviet weapons in their respective doctrine, employment and
R&D environments. This work is being conducted primarily by
contractors under management control of DDR&E and CIA(OWI);
and by DDR&E Defense Science Board NTA Task Forces. It
should be noted, therefore, that, with the exception of the
aforementioned CIA efforts, all of the dedicated NA/NTA work
lies outside of the Intelligence Community. This, of course,
excludes Community assessments of other force balances such
as Arab-Israeli, North-South Korea, Greek-Turk, etc.

SECRET   2   IMPDET CL BY   25X1

    --   the net assessment effort <u>has</u> been useful;

    --   the Washington net.'assessment community <u>is</u> properly organized; and

    --   there <u>is</u> a (limited) role for the DCI and the ICS in this subject area.

2.   <u>Has effort expended in the area of net assessment</u> <u>been useful?   Can you cite any examples?</u>

While the "usefulness" of net assessment is difficult to measure, it seems clear that the overall effort has had a substantial positive impact in the following principal ways:

    --   Mr. Marshall's shop has provided an institutional basis for developing systematic, "serious" and relatively unbiased RED-BLUE force comparison analyses. These analyses now form a significant portion of the SECDEF's posture statements and DOD's budget presentations to Congress.

    --   the increased "visibility" of the net assessment approach to problem solving has encouraged and stimulated the services and CIA to develop more analytical sophistication and greater capability for better comparative assessments of Soviet weaknesses as well as strengths, and to plan more specifically against Soviet capabilities.

    --   Net Technical Assessments have supported ODDR&E in the development of R&D strategy by examining: (1) the US/USSR military R&D balance; (2) technical characteristics of U.S. and adversary weapons; (3) vulnerabilities of specific weapons and systems in a war environment; and (4) R&D implications of these vulnerabilities in the face of advancing technology options and budgetary constraints.

A list of specific examples of "useful" net assessment products/efforts is at Tab B.*

---

    *   In this connection, there are those who hold that "there has never been a good or proper net assessment" because work to date has been, in their view, too biased, too unsophisticated, too scenario-dependent and/or too limited in scope.

3. Is the Washington net assessment effort properly organized or fractured?

There is considerable diversity of opinion on this question; but the consensus seems to be that the NA organization is fractured and that this is proper.

By NSDM 239 (dated 27 Nov 73), the SECDEF(OSD/NA) was given the responsibility for the National Net Assessment Program. For various reasons, Mr. Marshall's shop has been unwilling/unable to coordinate the NA work of the services, OASD(PA&E), DDR&E and CIA to a significant degree. Each element seems to go much its own way. And this, from the viewpoint of many, is desirable. In Mr. Marshall's words, net assessment is simply a "diagnostic device tailored to assist the policy-maker in dealing with problems which affect the character and success of the total enterprise." As such, OSD(NA) serves primarily the SECDEF, the NTA/OWI effort serves DDR&E, and the service NA work supports its top managers...each NA staff designed thereby to help the policy-maker evaluate better his own organization's competitive strategy. There is also a certain aura of "checks and balances" to this situation, plus an avoidance of "waffling" which a different, interagency net assessment arrangement would presumably encourage.

Critics of the present organization argue that the OSD(NA) office must be strengthened and/or a supra-DOD net assessment "Czar" be created somewhere (NSC Staff?) to provide better focus to the overall process; minimize whatever duplication of effort exists; enable more thorough review of all on-going studies and their cost-effectiveness; and, most importantly, reduce the biases and parochialism inherent in single agency products. There are obvious practical difficulties with such an approach; but this, in any event, seems an issue primarily for others to wrestle with. What is most important to note here is that, with regard to the impact on the Intelligence Community, there appears to be no significant preference for one form of NA organization over another. We would continue to do our job much the same in any case. Which leads to your next question.

4. Do you see a role for the Intelligence Community Staff in the net assessment effort? If so, what?

As noted earlier, the only Community element actually doing significant NA/NTA work today is CIA (OSR & OWI). While some argue that it is legitimate and proper for the

3

rest of the Community to do considerably more melding and analyses of RED-BLUE force information (including full-blown balance assessments), most would agree that the basic role of the Community itself in NA should remain limited to what it is today--to (1) contribute the best possible RED data in support of on-going assessments and maintain a close dialogue with the other participants in the effort; and (2) attempt to enhance the usefulness of the RED data by (wherever possible and to the extent possible) analysing Soviet systems in terms of basic strengths and weaknesses vis-a-vis comparable/appropriate U.S. and Allied systems.*

In view of the foregoing, a management role for the ICS in NA seems uncalled for. What we can do, however, is to recommend the development of a net assessment effort (by, e.g. DOD, the services, DDR&E) whenever this seems the most appropriate way to help solve a pending DCI/ICS action item. This, in fact, was done earlier this year when the ICS launched a DOD net assessment study on satellite vulnerability.

We should, of course, also remain fully aware of the uses of, and problems with net assessment as an analytical methodology within the Community and establish such an account within ICS/PAID. Follow-on investigations in this regard might examine such thorny problems as (1) increasing the availability of all-source intelligence data to contractors working on NA projects; and (2) reorienting national intelligence collection strategies/priorities more toward the "soft" aspects of Soviet forces' capabilities (maintenance, training, logistics), an understanding of which is vital to any good net assessment effort.

---

* The reasons for arguing against the Intelligence Community's actually doing full-scale net assessments are well-known: lack of sufficient access to, and expertise with BLUE forces data; the need to keep intelligence "pure" and free from the "politics" attendant to net assessment; the desire to avoid "distractions" from the basic job of providing good RED forces data; the belief that certain critical net assessments are too scenario—dependent to be meaningful; lack of sufficient qualified personnel to take on NA tasks; etc.

4

5. <u>If you were George Bush, what role would you want
to play in the area of net assessment?</u>

Much of what was said in the preceding section applies
here as well. The DCI should:

    -- ensure that each major net assessment effort
is fully supported throughout by the best possible
intelligence data (basically a "management-by-exception"
role);

    -- encourage the Community's use of the com-
parative "strengths and weaknesses" approach when
analyzing Soviet weapons systems and forces;

    -- recommend the initiation of a net assessment
effort by a dedicated NA/NTA organization whenever
appropriate to help solve a pending DCI/ICS action
item.

Finally, there is one other step regarding net assess-
ment that the DCI might consider taking. He could sponsor
adoption of the requirement that in future all major DOD net
assessment studies be submitted upon completion to the newly
created "Defense Review Panel" of the NSC for interagency
review, comments and concurrence. Such a procedure would
seem to offer promise of reducing the "bias" that offends
many readers of current single agency assessments; increasing
the dialogue between various facets of the assessment's
producer-user community; and providing a better focus for
the overall national net assessment effort without sig-
nificant organizational disruption or change.

/s/

25X1A

Next 1 Page(s) In Document Exempt

Selected Examples of Useful Net Assessment/
Net Technical Assessment Products/Efforts
(In no particular order)

--   "CNO Net Assessment of the US and Soviet
Navies" produced annually by OP-090N. Generally
acknowledged to be the single most significant document
impacting on the Navy's budget.

--   The US Army's "Comparative Analysis of US and
Soviet Tank Crew Training, Hardware and Logistics
Support Structures." This paper is generating major
policy changes within the US Army regarding armored
warfare and tank training practices.

--   The continuing work of CIA(OSR) to develop
quantitative comparisons of US and Soviet strategic
forces and conduct limited force interaction analyses
for NIE 11-3/8. Has resulted in strategic forces NIE's
that are generally recognized as being "better" than
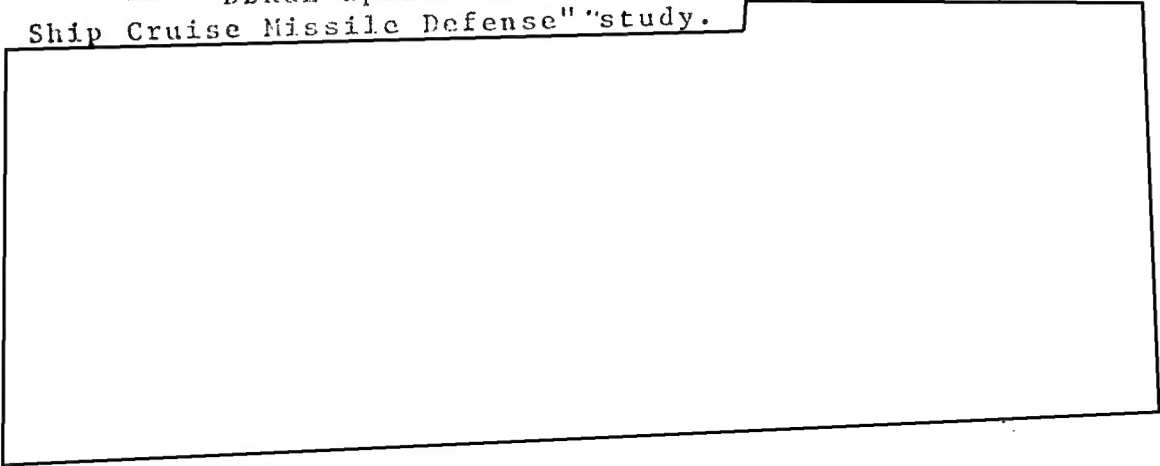earlier estimates.

--   A Defense Science Board NTA Task Force on

STAT
STAT

--   DDR&E-sponsored "Comparison of US and Soviet
Ground Force Capabilities in Electronic Warfare." This
March 1975 contractor study outlined asymmetries in
capabilities for the US Army and lent support for the
Army's EW program in Congress. The assessment is also
a principal input to the US contribution to an on-going
NATO Nuclear Planning Group study of the implications
of new developments in tactical nuclear warfare.

--   DDR&E-sponsored "Net Technical Assessment of
US and Soviet ABM Programs." This April 1975 con-
tractor study was used by the Army Ballistic Missile
Defense Office to prepare ABM R&D options for the
SECDEF.

1

--   DDR&E-sponsored "Electronic Warfare and Anti-Ship Cruise Missile Defense" study.

STAT

2

TRANSMITTAL SLIP

DA

TO:

ER

ROOM NO.	BUILDING

REMARKS:

FROM:

ROOM NO.	BUILDING	EXTENSION